



**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**[Transmittal Nos. 14-21]**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 14-21 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 8, 2014.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408

JUL 1 2014

The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 14-21, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to India for defense articles and services estimated to cost \$200 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



**Transmittal No. 14-21**

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: India
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 88 million
Other	<u>\$112 million</u>
TOTAL	\$200 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 12 UGM-84L Harpoon Block II Encapsulated Missiles, 10 UTM-84L Harpoon Encapsulated Training missiles, 2 Encapsulated Harpoon certification training vehicles, containers, spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical data, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support.
- (iv) Military Department: Navy (ABC)
- (v) Prior Related Cases, if any:  
FMS case AAL-\$74M-15Nov10  
FMS case AAP-\$77M-25Jan12
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Annex attached.
- (viii) Date Report Delivered to Congress: 1 July 2014

\* as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### India – UGM-84L Harpoon Missiles

The Government of India has requested a possible sale of 12 UGM-84L Harpoon Block II Encapsulated Missiles, 10 UTM-84L Harpoon Encapsulated Training missiles, 2 Encapsulated Harpoon certification training vehicles, containers, spare and repair parts, support and test equipment, personnel training and training equipment, publications and technical data, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support. The estimated cost is \$200 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to strengthen the U.S.-India strategic relationship and to improve the security of an important partner which continues to be an important force for political stability, peace, and economic progress in South Asia.

This Harpoon missile system will be employed on the Indian Navy's Shishumar class submarine (Type-209) and will provide enhanced capabilities in defense of critical sea lines of communication. India has already purchased Harpoon missiles for integration on Indian Air Force Jaguar aircraft and Indian Navy P-8I maritime patrol aircraft. India will have no difficulty absorbing these additional missiles into its armed forces.

This proposed sale of Harpoon missiles will not alter the basic military balance in the region.

The principal contractors will be the Boeing Company in St Louis, Missouri; and Delex Systems Inc., in Vienna, Virginia. In accordance with the Indian Defense Procurement Policy, a contractor may be expected to conclude offset agreements with the Government of India but no offset agreement is currently known to have been proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor personnel to India. However, U.S. Government or contractor personnel in-country visits will be required on a temporary basis for program, technical, and management oversight and support requirements for approximately five years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

## Transmittal No. 14-21

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amendedAnnex  
Item No. vii(vii) Sensitivity of Technology:

1. The UGM-84L Harpoon Encapsulated Block II missile system is classified Confidential. The Harpoon missile is a non-nuclear tactical weapon system currently in service in the U.S. Navy and in 28 other foreign nations. It provides a day, night, and adverse weather, standoff air-to-surface capability and is an effective Anti-Surface Warfare missile. The UGM-84L incorporates components, software, and technical design information that are considered sensitive. The following components being conveyed by the proposed sale that are considered sensitive and are classified Confidential include:

- a. The Radar Seeker
- b. The Guidance Control Unit GPS/INS System
- c. Operational Flight Program Software
- d. Missile operational characteristics and performance data

These elements are essential to the ability of the Harpoon missile to selectively engage hostile targets under a wide range of operations, tactical and environmental conditions.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

3. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

4. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of India.